Social Security Warns of Logjam From Immigration Ruling

THE NEW YORK TIMES September 7, 2007 By JULIA PRESTON

The Social Security Administration says a federal judge's ruling last week suspending a crackdown on employers who hire illegal immigrants could cause a major disruption in its processing of millions of routine retirement and disability claims.

In papers filed late Wednesday in federal court in San Francisco, David A. Rust, an acting Social Security deputy commissioner, said a vast bureaucratic logjam would result unless the agency was allowed this month to mail about 141,000 already-prepared letters advising employers of discrepancies between workers' Social Security information and agency records. Government lawyers said any delay in the mailing — or any requirement that the mailing be revised — would cause "significant harm" to the agency and "interfere with its ability to carry out its core functions."

The plea came after the judge, Maxine M. Chesney of federal court in San Francisco, issued a ruling Friday temporarily barring the Social Security agency from sending the mailings, known as "no-match" letters. The latest letters, which refer to the records of more than eight million workers, include a Department of Homeland Security notice advising employers about new rules to follow after receiving them. If the workers in question cannot show within 90 days that they have valid Social Security numbers, employers must fire them or risk prosecution.

In her ruling, Judge Chesney temporarily halted the new rules from taking effect and set a hearing for Oct. 1. The government asked in its new filing that the hearing be moved up to Sept. 19. In papers filed yesterday, the plaintiffs opposed that change.

The dispute stems from a lawsuit filed last week by the A.F.L.-C.I.O., several California labor groups and the American Civil Liberties Union asserting that the new rules would lead employers to fire thousands of legal workers, including American citizens, and to discriminate against Latino employees.

Illegal immigrants often provide false Social Security information. Previously, employers have not been required to take action against workers cited in Social Security letters. The new rules are a cornerstone of the Bush administration's campaign to curb illegal immigration by punishing employers who hire unauthorized workers.

In a statement, Mr. Rust said the Social Security Administration had already delayed sending the letters to employers for several months this year as officials negotiated with

immigration authorities over the new rules and the Senate debated an immigration bill, which failed in June.

Although Judge Chesney did not bar the agency from sending the letters if references to the new rules were removed, Mr. Rust said it would take 30 days to fix the mailing. He said any delay past mid-September would cause a backlog that would spread into the first half of 2008, when he said the agency was expecting a "significant increase" in its workload, though he did not say why. He said the agency was facing "severe budgetary constraints" and a staffing shortage.

In addition, based on a 28 percent increase in calls from employers in the first three months of this year — before the new rules were announced — the agency expects a surge of work clarifying its records after the latest letters go out, Mr. Rust said.

The lawsuit cites a December report by the Social Security inspector general that said 17.8 million of the agency's 435 million records contained errors that could result in a discrepancy report about a worker who is legal.